

Republic of the Philippines
Department of Commerce and Industry
SECURITIES AND EXCHANGE COMMISSION
Manila

CERTIFICATE OF FILING OF BY-LAWS

TO ALL TO WHOM THESE PRESENTS MAY COME, GREETINGS:

THIS IS TO CERTIFY that the By-Laws of the

BAGUIO MILITARY INSTITUTE, INC.

copy annexed, adopted by the stockholders owning or representing at least a majority of all the subscribed capital stock on March 31, 1956, certified to by a majority of the Board of Directors and countersigned by the Secretary of the Corporation, was filed in this Office on the 10th day of April, 1956, pursuant to the provisions of Section 20 of the Corporation Law, Act 1459, as amended, and attached to the other papers pertaining to said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of this Commission to be affixed at Manila, Philippines, this 10th day of April, in the year of our Lord nineteen hundred and fifty - six, and of the Independence of the Philippines, the Tenth.

(Sgd) MARIANO G. PINEDA
Commissioner

REPUBLIC OF THE PHILIPPINES)
: S.S.
DONE: IN THE CITY OF BAGUIO)

NOTARIAL CERTIFICATION

TO ALL TO WHOM THESE PRESENTS MAY COME, GREETINGS:

That I, Guillermo F. de Guzman, Counsellor-at-law
and a duly commissioned Notary Public in and for the
City of Baguio, Philippines, -

DO HEREBY CERTIFY

That I have compared the herein attached (1) Certificate of Filing of By-Laws consisting of one page, bearing date of April 10, 1956, issued by the Securities and Exchange Commission, and (2) By-Laws of the Baguio Military Institute, Inc., consisting of fifteen pages, bearing date of March 31, 1956, with the original copies thereof which bear the signature of Commissioner Mariano G. Pineda on the first instrument and on the second of the signatures of Messrs. Benito H. Lopez, Ramon Enriquez, Fernando Bautista, Basilio J. Valdez, Jose V. Andrada and Ernesto Flores, and that the same are full, true, and correct literal copies of the said "Certificate of Filing of By-Laws" and "By-Laws of the Baguio Military Institute, Inc. and of the whole thereof.

WITNESS MY HAND AND OFFICIAL SEAL at the City of Baguio, Philippines, this 6th day of June, 1956.

(Sgd) GUILLERMO F. DE GUZMAN
Notary Public
My commission expires December 31, 1957

Doc. No. 404
Page No. 17
Book No. V
Series of 1956

B Y - L A W S
OF THE
BAGUIO MILITARY INSTITUTE, INC.

ARTICLE I

Office

The principal office of the corporation and the educational institute to be operated by it shall be located and established in Baguio City, Philippines. The corporation may establish and maintain a branch office in Manila whenever warranted by the exigencies of its business affairs.

ARTICLE II

Stock

1. Certificates of Stock. - Each stockholder of the corporation whose stock has been paid for in full shall be entitled to a certificate or certificates showing the amount of stock of the corporation standing on the books in his name. Each certificate shall be numbered, bear the corporate seal and the signatures of the Chairman of the Board of Trustees and the Secretary, and be issued in numerical order from the stock certificate book. A full record of each certificate of stock, as issued, must be entered on the corresponding stub of the stock certificate book.

2. Transfers of Stock. - Transfer of stock shall be made upon the proper stock books of the corporation and must be accompanied by the surrender of the duly endorsed certificate or certificates representing the transferred stock. Surrendered certificates shall be cancelled and attached to the corresponding stubs in the stock certificate book, and new certificates issued to the parties entitled thereto. The stock books shall be closed to transfer five (5) days before

the general election of members of the Board of Trustees and other officers and fifteen (15) days before the declaration of dividends.

3. Stock and Transfer Book. - The stock and transfer book and other records of the corporation shall be kept in its principal office in Baguio City, and they shall be open for inspection during business hours by any stockholder of the corporation.

4. Lost or Destroyed Certificates. - Any stockholder who claims that his certificate of stock has been lost or destroyed shall file an affidavit in triplicate with the corporation stating the circumstances of such loss or destruction, and he may be required to give further notice thereof by publication in a newspaper of general circulation in Baguio City once a week for three (3) consecutive weeks. When the stockholder concerned shall have fulfilled all requirements prescribed by existing law, a new certificate or certificates marked "DUPLICATE" shall be issued to such stockholder. The Board of Trustees may require the stockholder to file a bond or other security for a sum and in such form and with such sureties as the Board may deem satisfactory in order that the corporation may by reason of the issuance of such new certificates. The foregoing procedure shall be observed insofar as consistent with the provisions of Republic Act No. 201 and other pertinent laws.

5. Treasury Stock. - All issued and outstanding stock of the corporation that may be purchased by or donated to said corporation shall be treasury stock and shall be held subject

to the disposition of the Board of Trustees or the stockholder as the case may be. Such stock shall neither vote nor participate in dividends while held by the corporation.

ARTICLE III

Stockholders

1. Annual Meetings. - The regular annual meetings of the stockholders of the corporation shall be held after the year 1956 on the 20th day of August in each calendar year at 5:00 P.M., if not a legal holiday, and if a legal holiday, then on the next business day following, for the purpose of electing members of the Board of Trustees and for the transaction of such other business as may be properly brought before the meeting.

Written or printed notice of the annual stockholders' meeting shall be mailed, postage prepaid, to each stockholder of record not less than fifteen (15) days before the date of such meeting, but failure to mail or send such notice, or any irregularity therein, shall not affect the validity of any annual meeting or of any proceeding thereat. Waiver of such notice may be made in writing by all or any of the stockholders.

2. Special Meetings. - Special meetings of the stockholders may be held at any time in the principal office of the corporation upon call of the Chairman, or pursuant to a resolution of the Board of Trustees, or upon written call signed by stockholders of record owning a majority of the entire issued and outstanding stock of the corporation. Calls for special meetings shall specify the time, place and object or objects thereof, and no other business than that specified

in the call shall be considered at any such meeting.

A written notice stating the day, hour and place of the meeting and the general nature of the business to be transacted thereat shall be sent to each stockholder of record at least one (1) week before the date of such special meeting. Such written notice, however, may be waived in writing by the stockholders.

3. Vote. - At such meeting of the stockholders, every stockholder shall be entitled to vote in person or by proxy, and he shall have one vote for each share of stock standing in his name on the books of the corporation at the time of the closing of the transfer books for such meeting. The votes for members of the Board of Trustees and, upon demand of any stockholder, the votes upon any question before the meeting, shall be by ballot.

4. Proxies. - Any stockholder entitled to vote at the meetings of the stockholders may be represented and vote thereat by proxy appointed in an instrument in writing, subscribed by such stockholder or by his duly authorized attorney, and delivered to the Secretary at or before the time of such meeting. Proxies shall be properly signed and sealed but they shall require no other attestation.

5. Quorum. - A majority in amount of the stock issued and outstanding, exclusive of treasury stock, represented by the stockholders of record thereof, in person or by proxy, shall be requisite to constitute a quorum at any meeting of the stockholders. When a quorum is present at any such meeting, a majority vote of the stock represented thereat shall

decide any matter brought before such meeting, unless the concurrent vote of a greater number is required by the Philippine Corporation Law.

If a quorum is not present at the time and place fixed by the by-laws for the annual meeting, or fixed by notice as herein provided for a duly called special meeting, a majority in interest of the stockholders present in person or by proxy may adjourn from time to time, without notice other than by announcement at the meeting, until a quorum is secured. At any such adjourned meeting at which a quorum may be present, any business may be transacted which might have been transacted at the meeting as originally called and notified.

6. Election of Trustees. - The five (5) members of the Board of Trustees of the corporation shall be elected by a plurality vote, cast by ballot, at the annual meeting of the stockholders for that year. The trustees so elected shall hold office until the expiration of their respective terms and until the election and qualification of their respective successors.

7. Order of Business. - The order of business at the annual meeting of the stockholders, and, so far as practicable, at all other meetings thereof shall be as follows:

1. Roll call
2. Reading and Disposal of any
Unapproved Minutes
3. Reports of Officers and Committees
4. Election of Trustees
5. Unfinished Business
6. New Business

ARTICLE IV

The Board of Trustees

1. Number and Qualifications. - The number of the first

Board of Trustees shall be five (5) but any time during the existence of the corporation the number of trustees may be increased to any number not exceeding fifteen (15). No person shall be elected, nor be competent to act as trustee of the corporation, unless he is a stockholder of record at the time of election. If any trustee shall cease to be a stockholder of record, his term of office shall forthwith terminate and cease.

2. General Powers. - The Board of Trustees shall have entire charge of the properties, business, interests and general operations of the corporation, with full power and authority to manage and conduct the same. In addition to the specific powers conferred on the Board of Trustees by these by-laws, the Board shall have general power to do all such things as may be necessary for the best interests of the corporation and not inconsistent with the statutes of the Philippines or with these by-laws.

3. Vacancies. - In case of any vacancy in the Board of Trustees by reason of death, resignation, disability or other cause, the remaining trustees, if still constituting a quorum, by the affirmative vote of a majority of the Board of Trustees, may elect a successor to hold office for the unexpired term and until the election of his successor by the stockholders of the corporation.

In case of any increase in the Board of Trustees between the annual elections of its members, the newly created trusteeships shall be filled at a special ~~xxx~~ stockholders' meeting called for the purpose.

Should the membership of the Board of Trustees at any time fall below the number necessary to constitute a quorum, then a special meeting of the stockholders shall be called by the Chairman and such number of trustees shall be elected thereat as may be necessary to restore the Board to its full membership.

4. Place of Meeting. - Meetings of the Board of Trustees shall be held in the principal office of the corporation in the City of Baguio or in such other place as the Board may in its discretion determine.

5. Regular Meetings. - The Board of Trustees shall hold regular meetings on such dates and time as the Chairman shall, in his discretion, determine. The Secretary shall give written notice of such regular meeting to each trustee at least three (3) days before such meeting, stating the time and place thereof. No failure to give such notice or irregularity therein shall affect the validity of any regular meeting of the Board of Trustees or of any proceeding thereat if all the members are present at such meeting.

6. Special Meetings. - Special meetings of the Board of Trustees may be called by the Chairman on one (1) day's notice to each trustee either personally or in writing or on the written request of at least two (2) trustees. Such call shall specify the time, place and object or objects of such special meeting.

7. Quorum. - A majority of the Board of Trustees shall constitute a quorum for the transaction of business and, in the presence of quorum, majority vote of the trustees present

at any board meeting shall be sufficient to decide any action.

8. Election of Officers. - At the first regular meeting of the Board of Trustees after the time fixed for the annual meeting of stockholders each year, or at a special meeting called for the purpose after the annual meeting of the stockholders, the Board shall elect the officers of the corporation.

9. Per Diems and Privileges of Trustees. - All members of the Board of Trustees shall receive a per diem of One Hundred Pesos (P100.00) each for actual attendance at meetings of the Board in addition to hotel accommodations and transportation at the expense of the corporation to and from their places of residence and Baguio City whenever attending meetings of the Board of Trustees.

ARTICLE V

Officers

1. Enumeration. - The officers of the corporation shall consist of the following, namely, a Chairman of the Board of Trustees, a Treasurer, and a Secretary, whose powers and duties shall be as hereinafter provided and as the Board of Trustees may fix in conformity with the provisions of these by-laws. The Board of Trustees may create other offices for the administrative supervision of the institution to be established by the corporation. All officers shall be elected to their respective offices by a majority vote of the Board of Trustees. Any officer may hold more than one office provided that the duties thereof are not incompatible.

2. Qualifications. - Except the Chairman of the Board of Trustees, who must be a stockholder, the Treasurer and the Secretary need not be stockholders of the corporation.

3. Chairman of the Board of Trustees.- The Chairman of the Board of Trustees shall be the chief executive officer of the corporation and shall exercise direct and active management and control over the business operations of the corporation subject to the resolutions and instructions of the Board of Trustees and according to his own discretion in conformity with such resolutions and instructions.

The Chairman shall sign, execute and deliver all contracts and agreements in the name of the corporation. He shall also sign, with the countersignature of the Secretary, all certificates of stock. Subject to the approval of the Board of Trustees, he shall have the power to obtain loans, overdrafts and credit facilities in behalf of the corporation from persons, banks and credit institutions and to mortgage or pledge the real and personal properties of the corporation as security for such obligations. He shall establish in the name of the corporation an account or accounts with any local banking institution, in which corporate funds shall be deposited, subject to withdrawals by checks, drafts or other instruments signed either - (a) by him alone as Chairman, without countersignature; or (b) by the Treasurer with the countersignature of the Chairman or such other officers as the Board of Trustees may designate.

Subject to the approval of the Board of Trustees, the Chairman shall appoint a Superintendent, a Commandant, and such other administrative officials and employees as may be necessary for the operation and conduct of the educational institution to be established by the corporation. He shall exercise general superintendence and direction over all the other officers, administrative officials, employees and subor-

dinate personnel of the corporation and he shall see to it that their respective duties are properly performed. Subject to the approval of the Board of Trustees, the Chairman shall have the power to remove or suspend these administrative officials and employees of the corporation, prescribe their powers and duties and fix their respective salaries or compensations.

The Chairman shall submit such reports on the operations of the corporation as the Board of Trustees may require, and he shall from time to time report also to the Board of Trustees all matters within his knowledge which the interests of the corporation may require to be brought to their attention. He shall also see to it that all resolutions of the Board of Trustees are properly carried out.

He shall have the general powers and duties of supervision and management usually vested in the chief executive officer of a corporation, and he shall also perform such other duties as may be assigned or delegated to him by the Board of Trustees, or which may properly pertain to his office and which in his judgment will serve the best interests of the corporation.

4. Treasurer. - The Treasurer shall be the custodian of the funds, properties, securities and valuable documents of the corporation such as certificates of title, insurance policies, bonds and other written instruments, and he shall be responsible for all moneys and other properties of the corporation under his charge. He shall keep full and accurate records and accounts in books belonging to the corporation of all receipts, disbursements, assets, liabilities and general financial transactions of the corporation.

He shall deposit all moneys and other valuable effects

of the corporation coming into his hands in such depositaries as may be designated by the Board of Trustees, and he shall disburse the funds of the corporation pursuant to the instructions of the Board of Trustees or of its authorized officers, taking proper vouchers for all such disbursements. He shall also indorse for collection or deposit all bills, notes, checks and other negotiable instruments of the corporation and deposit the same to its credit. With the countersignature of the Chairman or such other officer as the Board of Trustees may designate, the Treasurer may sign checks, drafts, or other instruments for the withdrawal of corporate funds deposited in banking institutions.

The Treasurer shall render to the Board of Trustees and to the Chairman, whenever so requested, all such statements and accounts as may be required of him, and he shall prepare an annual report showing the financial condition of the corporation at the end of the fiscal year, which report when made shall be presented to the next succeeding meeting of the stockholders. He shall also discharge such other duties incidental to his position as may be required of him by the Board of Trustees.

5. Secretary. - The Secretary must be a citizen of the Philippines. He shall keep full minutes of all meetings of the stockholders and of the Board of Trustees in accordance with these by-laws.

He shall have charge of the corporate seal and affix the same to certificates of stock when such certificates are duly signed by the proper officers, and shall affix the said seal,

attested by his signature, to such other instruments as are duly authorized by the Board of Trustees. He shall sign with the Chairman all the certificates of stock issued, and he shall also be responsible for the stock certificate book, the stock transfer book, the stock ledger, and such other books and papers as the Board of Trustees may place in his care.

He shall make such reports to the Board of Trustees and to the Chairman as may be required of him and he shall likewise prepare such reports and statements as are required by the laws of the Philippines. He shall perform such other duties as are incidental to his office or as may be assigned to him from time to time by the Board of Trustees or the Chairman.

6. Compensation. - All officers of the corporation shall receive such salaries or remuneration as may be determined by the Board of Trustees upon recommendation of the Chairman.

7. Delegation of Duties. - In case of the absence or disability of any officer of the corporation, the Board of Trustees may delegate his powers and duties to any other officer or officers for the time being and until the proper official returns or again performs his duties or his successor is elected.

ARTICLE VI

Finances

1. Fiscal Year. - The fiscal year of the corporation starting with the year 1956 shall commence on the first day of July and shall end with the last day of June of each calendar year.

2. Dividends. - Dividends shall be declared at such

times and in such percentages as the Board of Trustees may determine, but no dividends shall be declared or paid except from the surplus profits arising from its business, nor shall any dividends be declared that will impair the capital of the corporation.

3. Bank Deposits. - The Treasurer shall deposit the funds of the corporation in the corporate name as the same may come into his hands in such depository banks as may be designated by the Board of Trustees. Withdrawals from such bank accounts shall be made only by checks, drafts, or other instruments signed either by the Chairman of the Board of Trustees without countersignature, or by the Treasurer with the countersignature of the Chairman or such other officers as the Board of Trustees may designate.

ARTICLE VII

Sundry Provisions

1. Corporate Seal. - The corporate seal shall consist of two concentric circles between which shall appear the name of the corporation, to wit: BAGUIO MILITARY INSTITUTE, INC., and the words "BAGUIO CITY, PHILIPPINES", and in the center of which shall be inscribed the words "INCORPORATED, 1956".

2. Amendments. - These by-laws may be amended or repealed, in whole or in part, at any regular meeting of the stockholders or in any special meeting duly called for the purpose provided that a majority of the entire subscribed capital stock of the corporation shall vote for such amendment or repeal. The power to amend or repeal these by-laws may be delegated to the Board of Trustees in the manner provided in the Philippines Corpora-

tion law.

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The foregoing by-laws were adopted by the vote of the stockholders holding or representing the entire subscribed and outstanding capital stock at the first meeting of the stockholders of said corporation held in the City of Baguio, Philippines, on the 31st day of March, 1956.

IN WITNESS WHEREOF, we the undersigned stockholders, present or represented at said meeting and voting thereat in favor of the adoption of said by-laws, have hereunto subscribed our names and with the Chairman of the meeting and the Secretary of the same do likewise with our signatures attest.

(Sgd) BENITO H. LOPEZ

(Sgd) FERNANDO BAUTISTA

(Sgd) RAMON ENRIQUEZ

(Sgd) BASILIO J. VALDES

(Sgd) JOSE V. ANDRADA

ATTEST:

(Sgd) BENITO H. LOPEZ

Chairman of the meeting

(Sgd) ERNESTO FLORES

Secretary of the meeting

DRY
SEAL

CERTIFIED TRUE AND CORRECT:

ERNESTO B. FLORES
Secretary, Board of Trustees

DIRECTORS' CERTIFICATE

KNOW ALL MEN BY THESE PRESENTS:

THAT WE, the undersigned, being all of the trustees of the BAGUIO MILITARY INSTITUTE, INC., an institution duly organized and existing under the laws of the Philippines, do hereby certify that the foregoing by-laws were adopted by the vote of more than a majority of all the subscribed capital stock of the institution at the first meeting of the stockholders thereof held on the 31st day of March, 1955 in the City of Baguio, Philippines.

(Sgd) BENITO H. LOPEZ

(Sgd) FERNANDO BAUTISTA

(Sgd) RAMON ENRIQUEZ

(Sgd) BASILIO J. VALDES

(Sgd) JOSE V. ANDRADA

A T T E S T :

(Sgd) ERNESTO FLORES
Secretary of the meeting

A TRUE COPY:

B.Y - L A W S
OF THE

BAGUIO MILITARY INSTITUTE, INC.

ARTICLE I

Office

The principal office of the corporation and the educational institute to be operated by it shall be located and established in Baguio City, Philippines. The corporation may establish and maintain a branch office in Manila whenever warranted by the exigencies of its business affairs.

ARTICLE II

Stock

1. Certificates of Stock. - Each stockholder of the corporation whose stock has been paid for in full shall be entitled to a certificate or certificates showing the amount of stock of the corporation standing on the books in his name. Each certificate shall be numbered, bear the corporate seal and the signatures of the Chairman of the Board of Trustees and the Secretary, and be issued in numerical order from the stock certificate book. A full record of each certificate of stock, as issued, must be entered on the corresponding stub of the stock certificate book.

2. Transfers of Stock. - Transfer of stock shall be made upon the proper stock books of the corporation and must be accompanied by the surrender of the duly endorsed certificate or certificates representing the transferred stock. Surrendered certificates shall be cancelled and attached to the corresponding stubs in the stock certificate book, and new certificates issued to the parties entitled thereto. The stock books shall be closed to transfer five (5) days before

the general election of members of the Board of Trustees and other officers and fifteen (15) days before the declaration of dividends.

3. Stock and Transfer Book. - The stock and transfer book and other records of the corporation shall be kept in its principal office in Baguio City, and they shall be open for inspection during business hours by any stockholder of the corporation.

4. Lost or Destroyed Certificates. - Any stockholder who claims that his certificate of stock has been lost or destroyed shall file an affidavit in triplicate with the corporation stating the circumstances of such loss or destruction, and he may be required to give further notice thereof by publication in a newspaper of general circulation in Baguio City once a week for three (3) consecutive weeks. When the stockholder concerned shall have fulfilled all requirements prescribed by existing law, a new certificate or certificates marked "DUPLICATE" shall be issued to such stockholder. The Board of Trustees may require the stockholder to file a bond or other security for a sum and in such form and with such sureties as the Board may deem satisfactory in order that the corporation may be indemnified against any loss or damage that may be incurred by reason of the issuance of such new certificates. The foregoing procedure shall be observed insofar as consistent with the provisions of Republic Act No. 201 and other pertinent laws.

5. Treasury Stock. - All issued and outstanding stock of the corporation that may be purchased by or donated to said corporation shall be treasury stock and shall be held subject

to the disposition of the Board of Trustees or the stockholder as the case may be. Such stock shall neither vote nor participate in dividends while held by the corporation.

ARTICLE III

Stockholders

1. Annual Meetings. - The regular annual meetings of the stockholders of the corporation shall be held after the year 1956 on the 20th day of August in each calendar year at 5:00 P.M., if not a legal holiday, and if a legal holiday, then on the next business day following, for the purpose of electing members of the Board of Trustees and for the transaction of such other business as may be properly brought before the meeting.

Written or printed notice of the annual stockholders' meeting shall be mailed, postage prepaid, to each stockholder of record not less than fifteen (15) days before the date of such meeting, but failure to mail or send such notice, or any irregularity therein, shall not affect the validity of any annual meeting or of any proceeding thereat. Waiver of such notice may be made in writing by all or any of the stockholders.

2. Special Meetings. - Special meetings of the stockholders may be held at any time in the principal office of the corporation upon call of the Chairman, or pursuant to a resolution of the Board of Trustees, or upon written call signed by stockholders of record owning a majority of the entire issued and outstanding stock of the corporation. Calls for special meetings shall specify the time, place and object or objects thereof, and no other business than that specified

in the call shall be considered at any such meeting.

A written notice stating the day, hour and place of the meeting and the general nature of the business to be transacted thereat shall be sent to each stockholder of record at least one (1) week before the date of such special meeting. Such written notice, however, may be waived in writing by the stockholders.

3. Note.— At such meeting of the stockholders, every stockholder shall be entitled to vote in person or by proxy, and he shall have one vote for each share of stock standing in his name on the books of the corporation at the time of the closing of the transfer books for such meeting. The votes for members of the Board of Trustees and, upon demand of any stockholder, the votes upon any question before the meeting, shall be by ballot.

4. Proxies. - Any stockholder entitled to vote at the meetings of the stockholders may be represented and vote thereat by proxy appointed in an instrument in writing, subscribed by such stockholder or by his duly authorized attorney, and delivered to the Secretary at or before the time of such meeting. Proxies shall be properly signed and sealed but they shall require no other attestation.

5. Quorum. - A majority in amount of the stock issued and outstanding, exclusive of treasury stock, represented by the stockholders of record thereof, in person or by proxy, shall be requisite to constitute a quorum at any meeting of the stockholders. When a quorum is present at any such meeting, a majority vote of the stock represented thereat shall

decide any matter brought before such meeting, unless the concurrent vote of a greater number is required by the Philippine Corporation Law.

If a quorum is not present at the time and place fixed by the by-laws for the annual meeting, or fixed by notice as herein provided for a duly called special meeting, a majority in interest of the stockholders present in person or by proxy may adjourn from time to time, without notice other than by announcement at the meeting, until a quorum is secured. At any such adjourned meeting at which a quorum may be present, any business may be transacted which might have been transacted at the meeting as originally called and notified.

6. Election of Trustees. - The five (5) members of the Board of Trustees of the corporation shall be elected by a plurality vote, cast by ballot, at the annual meeting of the stockholders for that year. The trustees so elected shall hold office until the expiration of their respective successors.

7. Order of Business. - The order of business at the annual meeting of the stockholders, and, so far as practicable, at all other meetings thereof shall be as follows:

1. Roll Call
2. Reading and Disposal of any
Unapproved Minutes
3. Reports of Officers and Committees
4. Election of Trustees
5. Unfinished Business
6. New Business

ARTICLE IV

The Board of Trustees

1. Number and Qualifications. - The number of the first

Board of Trustees shall be five (5) but any time during the existence of the corporation the number of trustees may be increased to any number not exceeding fifteen (15). No person shall be elected, nor be competent to act as trustee of the corporation, unless he is a stockholder of record at the time of election. If any trustee shall cease to be a stockholder of record, his term of office shall forthwith terminate and cease.

2. General Powers. - The Board of Trustees shall have entire charge of the properties, business, interests and general operations of the corporation, with full power and authority to manage and conduct the same. In addition to the specific powers conferred on the Board of Trustees by these by-laws, the Board shall have general power to do all such things as may be necessary for the best interests of the corporation and not inconsistent with the statutes of the Philippines or with these by-laws.

3. Vacancies. - In case of any vacancy in the Board of Trustees by reason of death, resignation, disability or other cause, the remaining trustees, if still constituting a quorum, by the affirmative vote of a majority of the Board of Trustees, may elect a successor to hold office for the unexpired term and until the election of his successor by the stockholders of the corporation.

In case of any increase in the Board of Trustees between the annual elections of its members, the newly created trusteeships shall be filled at a special stockholders' meeting called for the purpose.

Should the membership of the Board of Trustees at any time fall below the number necessary to constitute a quorum, then a special meeting of the stockholders shall be called by the Chairman and such number of trustees shall be elected thereat as may be necessary to restore the Board to its full membership.

4. Place of Meeting. - Meetings of the Board of Trustees shall be held in the principal office of the corporation in the City of Baguio or in such other place as the Board may in its discretion determine.

5. Regular Meetings. - The Board of Trustees shall hold regular meetings on such dates and time as the Chairman shall, in his discretion, determine. The Secretary shall give written notice of such regular meeting to each trustee at least three (3) days before such meeting, stating the time and place thereof. No failure to give such notice or irregularity therein shall affect the validity of any regular meeting of the Board of Trustees or of any proceeding thereat if all the members are present at such meeting.

6. Special Meetings. - Special meetings of the Board of Trustees may be called by the Chairman on one (1) day's notice to each trustee either personally or in writing or on the written request of at least two (2) trustees. Such call shall specify the time, place and object or objects of such special meeting.

7. Quorum. - A majority of the Board of Trustees shall constitute a quorum for the transaction of business and, in the presence of quorum, majority vote of the trustees present

at any board meeting shall be sufficient to decide any action.

8. Election of Officers. - At the first regular meeting of the Board of Trustees after the time fixed for the annual meeting of stockholders each year, or at a special meeting called for the purpose after the annual meeting of the stockholders, the Board shall elect the officers of the corporation.

9. Per Diems and Privileges of Trustees. - All members of the Board of Trustees shall receive a per diem of One Hundred Pesos (P100.00) each for actual attendance at meetings of the Board in addition to hotel accommodations and transportation at the expense of the corporation to and from their places of residence and Baguio City whenever attending meetings of the Board of Trustees.

ARTICLE V

Officers

1. Enumeration. - The officers of the corporation shall consist of the following, namely, a Chairman of the Board of Trustees, a Treasurer, and a Secretary, whose powers and duties shall be as hereinafter provided and as the Board of Trustees may fix in conformity with the provisions of these by-laws. The Board of Trustees may create other offices for the administrative supervision of the institution to be established by the corporation. All officers shall be elected to their respective offices by a majority vote of the Board of Trustees. Any officer may hold more than one office provided that the duties thereof are not incompatible.

2. Qualifications. - Except the Chairman of the Board of Trustees, who must be a stockholder, the Treasurer and the Secretary need not be stockholders of the corporation.

3. Chairman of the Board of Trustees. - The Chairman of the Board of Trustees shall be the chief executive officer of the corporation and shall exercise direct and active management and control over the business operations of the corporation subject to the resolutions and instructions of the Board of Trustees and according to his own discretion in conformity with such resolutions and instructions.

The Chairman shall sign, execute and deliver all contracts and agreements in the name of the corporation. He shall also sign, with the countersignature of the Secretary, all certificates of stock. Subject to the approval of the Board of Trustees, he shall have the power to obtain loans, overdrafts and credit facilities in behalf of the corporation from persons, banks and credit institutions and to mortgage or pledge the real and personal properties of the corporation as security for such obligations. He shall establish in the name of the corporation an account or accounts with any local banking institution, in which corporate funds shall be deposited, subject to withdrawals by checks, drafts or other instruments signed either - (a) by him alone as Chairman, without countersignature; or (b) by the Treasurer with the countersignature of the Chairman or such other officers as the Board of Trustees may designate.

Subject to the approval of the Board of Trustees, the Chairman shall appoint a Superintendent, a Commandant, and such other administrative officials and employees as may be necessary for the operation and conduct of the educational institution to be established by the corporation. He shall exercise general superintendence and direction over all the other officers, administrative officials, employees and subor-

dinate personnel of the corporation and he shall see to it that their respective duties are properly performed. Subject to the approval of the Board of Trustees, the Chairman shall have the power to remove or suspend these administrative officials and employees of the corporation, prescribe their powers and duties and fix their respective salaries or compensations.

The Chairman shall submit such reports on the operations of the corporation as the Board of Trustees may require, and he shall from time to time report also to the Board of Trustees all matters within his knowledge which the interests of the corporation may require to be brought to their attention. He shall also see to it that all resolutions of the Board of Trustees are properly carried out.

He shall have the general powers and duties of supervision and management usually vested in the chief executive officer of a corporation, and he shall also perform such other duties as may be assigned or delegated to him by the Board of Trustees, or which may properly pertain to his office and which in his judgment will serve the best interests of the corporation.

4. Treasurer. - The Treasurer shall be the custodian of the funds, properties, securities and valuable documents of the corporation such as certificates of title, insurance policies, bonds and other written instruments, and he shall be responsible for all moneys and other properties of the corporation under his charge. He shall keep full and accurate records and accounts in books belonging to the corporation of all receipts, disbursements, assets, liabilities and general financial transactions of the corporation.

He shall deposit all moneys and other valuable effects

of the corporation coming into his hands in such depositaries as may be designated by the Board of Trustees, and he shall disburse the funds of the corporation pursuant to the instructions of the Board of Trustees or of its authorized officers, taking proper vouchers for all such disbursements. He shall also indorse for collection or deposit all bills, notes, checks and other negotiable instruments of the corporation and deposit the same to its credit. With the countersignature of the Chairman or such other officer as the Board of Trustees may designate, the Treasurer may sign checks, drafts, or other instruments for the withdrawal of corporate funds deposited in banking institutions.

The Treasurer shall render to the Board of Trustees and to the Chairman, whenever so requested, all such statements and accounts as may be required of him, and he shall prepare an annual report showing the financial condition of the corporation at the end of the fiscal year, which report when made shall be presented to the next succeeding meeting of the stockholders. He shall also discharge such other duties incidental to his position as may be required of him by the Board of Trustees.

5. Secretary. - The Secretary must be a citizen of the Philippines. He shall keep full minutes of all meetings of the stockholders and of the Board of Trustees in accordance with these by-laws.

He shall have charge of the corporate seal and affix the same to certificates of stock when such certificates are duly signed by the proper officers, and shall affix the said seal,

attested by his signature, to such other instruments as are duly authorized by the Board of Trustees. He shall sign with the Chairman all the certificates of stock issued, and he shall also be responsible for the stock certificate book, the stock transfer book, the stock ledger, and such other books and papers as the Board of Trustees may place in his care.

He shall make such reports to the Board of Trustees and to the Chairman as may be required of him and he shall likewise prepare such reports and statements as are required by the laws of the Philippines. He shall perform such other duties as are incidental to his office or as may be assigned to him from time to time by the Board of Trustees or the Chairman.

6. Compensation. - All officers of the corporation shall receive such salaries or remuneration as may be determined by the Board of Trustees upon recommendation of the Chairman.

7. Delegation of Duties. - In case of the absence or disability of any officer of the corporation, the Board of Trustees may delegate his powers and duties to any other officer or officers for the time being and until the proper official returns or again performs his duties or his successor is elected.

ARTICLE VI

Finances

1. Fiscal Year. - The fiscal year of the corporation starting with the year 1956 shall commence on the first day of July and shall end with the last day of June of each calendar year.

2. Dividends. - Dividends shall be declared at such

times and in such percentages as the Board of Trustees may determine, but no dividends shall be declared or paid except from the surplus profits arising from its business, nor shall any dividends be declared that will impair the capital of the corporation.

3. Bank Deposits. - The Treasurer shall deposit the funds of the corporation in the corporate name as the same may come into his hands in such depository banks as may be designated by the Board of Trustees. Withdrawals from such bank accounts shall be made only by checks, drafts, or other instruments signed either by the Chairman of the Board of Trustees without countersignature, or by the Treasurer with the countersignature of the Chairman or such other officers as the Board of Trustees may designate.

ARTICLE VII

Sundry Provisions

1. Corporate Seal. - The corporate seal shall consist of two concentric circles between which shall appear the name of the corporation, to wit: BAGUIO MILITARY INSTITUTE, INC., and the words "BAGUIO CITY , PHILIPPINES", and in the center of which shall be inscribed the words "INCORPORATED, 1956".

2. Amendments. - These by-laws may be amended or repealed, in whole or in part, at any regular meeting of the stockholders or in any special meeting duly called for the purpose provided that a majority of the entire subscribed capital stock of the corporation shall vote for such amendment or repeal. The power to amend or repeal these by-laws may be delegated to the Board of Trustees in the manner provided in the Philippines Corpora-

tion law.

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The foregoing by-laws were adopted by the vote of the stockholders holding or representing the entire subscribed and outstanding capital stock at the first meeting of the stockholders of said corporation held in the City of Baguio, Philippines, on the 31st day of March, 1956.

IN WITNESS WHEREOF, we the undersigned stockholders, present or represented ~~at~~ said meeting and voting thereat in favor of the adoption of said by-laws, have hereunto subscribed our names and with the Chairman of the meeting and the Secretary of the same do likewise with our signatures attest.

(Sgd) BENITO H. LOPEZ

(Sgd) FERNANDO BAUTISTA

(Sgd) RAMON ENRIQUEZ

(Sgd) BASILIO J. VALDES

(Sgd) JOSE V. ANDRADA

A T T E S T :

(Sgd) BENITO H. LOPEZ
Chairman, of the meeting

(Sgd) ERNESTO FLORES
Secretary of the meeting

DIRECTORS' CERTIFICATE

KNOW ALL MEN BY THESE PRESENTS:

THAT WE, the undersigned, being all of the trustees of the BAGUIO MILITARY INSTITUTE, INC., an institution duly organized and existing under the laws of the Philippines, do hereby certify that the foregoing by-laws were adopted by the vote of more than a majority of all the subscribed capital stock of the institution at the first meeting of the stockholders thereof held on the 31st day of March, 1955 in the City of Baguio, Philippines.

(Sgd) BENITO H. LOPEZ

(Sgd) FERNANDO BAUTISTA

(Sgd) RAMON ENRIQUEZ

(Sgd) BASILIO J. VALDES

(Sgd) JOSE V. ANDRADA

A T T E S T :

(Sgd) ERNESTO FLORES
Secretary of the meeting

A TRUE COPY: